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APPLICATION

Honorable James H. Welsh
Commissioner of Conservation
P.O., Box 94275
Baton Rouge, LA 70804-9275

RE: Marg Tex Zone, Reservoir A
Edgerly Field
Calcasieu Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **NORTH AMERICAN LAND COMPANY, INC.** for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters in the Marg Tex Zone, Reservoir A, Edgerly Field, Calcasieu Parish, Louisiana, to-wit:

1. To establish rules and regulations and create five (5) drilling and production units for the exploration for and production of oil and gas;
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed units, with each tract sharing in unit production on a surface acreage basis of participation;
3. To designate a unit well for each of the proposed units;

4. To designate Peoples Energy Production - Texas, LP as the unit operator for each of the proposed units;
5. To provide that any future wells drilled to the Marg Tex Zone, Reservoir A, should be located in accordance with the spacing provisions of Statewide Order No. 29-E;
6. To provide that the Commissioner of Conservation should be authorized to reclassify the Marg Tex Zone, Reservoir A, by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and
7. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Marg Tex Zone in the Edgerly Field, Calcasieu Parish, Louisiana, is hereby defined as that oil and gas bearing zone encountered between the depths of 7,941 feet and 8,242 feet (electrical log measurements) in the People's Energy Production - Texas, LP - North American Land Company No. 1 Well, located in Section 33, Township 9 South, Range 11 West, Calcasieu Parish, Louisiana.

A conference to discuss the proposed application and any opposition thereto was held at 9:30 a.m. on the 19th day of February, 2004, at The Onebane Firm, 102 Versailles Blvd., Suite 600, Lafayette, Louisiana 70502, (337) 237-2660. A list of the parties who attended the pre-application conference is attached. Randall C. Songy, attorney for the applicant, opened the conference with a brief discussion of the Rules of Procedures. David Comeaux, geological consultant for the applicant, explained the applicant's proposal and the geological, engineering and other bases therefor, and answered questions. Counter plans were presented by Stan Warburton, on behalf of Drew Manual Training School, and by Don Northcutt, on behalf of himself and Carrie Northcutt. There was no resolution of the differences at the conference, and the conference was then adjourned.

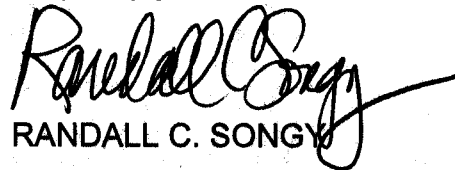
Pertinent data relating to the proposed application can be obtained, AT THE COST OF THE REQUESTING PARTY, by contacting **David Comeaux, Leon E. Comeaux & Associates, 305 La Rue France, Lafayette, Louisiana 70508.**

There is attached hereto and made a part hereof a plat outlining the proposed units and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties

is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herein is our check in the amount of \$755.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,



RANDALL C. SONG

RCS/elg/bad

Enclosures

cc: Mr. Richard Hudson, District Manager
Office of Conservation

All Interested Owners, Interested Parties
and Represented Parties

29 Pan-Am.
Pet. Corp.

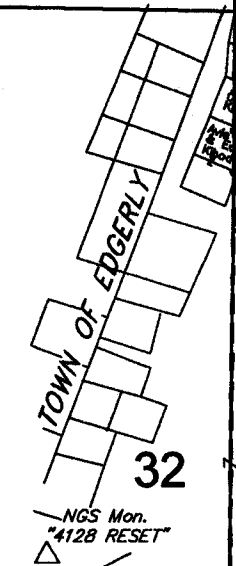
Emmerson, et al

9S 11W 28

UN. SULPHUR
LA Sul.Mng.

Pan-Am. Pet. Corp.

27
Allied
Chemical Co.



North A. Kibodeaux
Road J. Kibodeaux
Road J. Kibodeaux
Road J. Kibodeaux
Road J. Kibodeaux

6978 North American Land Company

MT ZONE RA SUE
UNDRILLED
±123 Acres

MT ZONE RA SUC
No. Am. Ld. Co. No. 3
±123 Acres

LA Sul.Mng.

33

9455 st
9797

PEOPLES ENERGY 1A
No.Am.Ld.Co.

9520

9733MD
9730VD

GULF
LA Sul.Mng.

1

LA Sul.Mng.

9655

MT ZONE RA SUD
UNDRILLED
±123 Acres

PEOPLES ENERGY
No.Am.Ld.Co.

2

MT ZONE RA SUB
No. Am. Ld. Co. No. 2
±123 Acres

8210MD
8205VD

North American Land Company

PEOPLES ENERGY
No.Am.Ld.Co.

330'

330'

MT ZONE RA SUA
No. Am. Ld. Co. No. 1
±123 Acres

10500MD
10468VD

David E. Northcutt
Curtis Ann Champagne Northcutt

Claudius
A. Mayo,
et al

DILLINGHAM EN.
DMTS

U.S. EXPL.
DMTS

8100

U.S. EXPL.
DMTS

8105

GORDON ST.
DMTS

10354

GORDON ST.
DMTS

8153

10500

Drew Manuel Training School

W.T. BURTON
DMTS

10260

Drew Manuel Training School

UNION SULPHUR
DMTS

4

8808

NOTE: ALL BOUNDARIES ARE GEOGRAPHIC



GEOLOGICALLY SIGNIFICANT WELL

EXHIBIT NO.
DOCKET NO. 04-

NORTH AMERICAN LAND COMPANY, INC.

EDGERLY FIELD
CALCASIEU PARISH, LOUISIANA

PROPOSED UNITS
MARG TEX ZONE

Witness: David Comeaux
1000'

2000'

DATE:

LEON E. COMEAUX & ASSOC. GEOLOGISTS

10S 11W

5

3

Della Bel Krouse, et al